

AMENDED IN ASSEMBLY MAY 1, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2308**

**Introduced by Assembly Member Dutra**

February 24, 2000

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~~An act relating to school finance. An act to add Sections 42238.44 and 42238.45 to the Education Code, relating to school finance, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2308, as amended, Dutra. Base revenue limits: school districts.

Existing law prescribes a school financing system pursuant to which funds made available for that purpose are allocated among the various local education entities, including a formula that utilizes the base revenue limit of school districts for the prior fiscal year as the base from which to calculate the current year revenue limit for each school district.

~~This bill would declare the intent of the Legislature to revise the existing calculations so that the base revenue limit per unit of average daily attendance for each type of school district is within a range of \$100 of the base revenue limit of any other school district of the same type.~~

*This bill would appropriate an amount necessary, as determined by the Superintendent of Public Instruction, from the General Fund to the State Department of Education for allocation to school districts to increase the base revenue limit per unit of average daily attendance over a prescribed*

5-year period for 98% of all units of average daily attendance to an amount that is no more than \$50 above or below the statewide average base revenue limit per unit of average daily attendance for school districts of the same size and type and to determine and allocate the amounts necessary over that same period to result in a revenue limit per unit of average daily attendance for each school district that is equal to the national average of per pupil funding.

The bill would declare that any appropriations made for the purpose of the bill are to be included in the amount appropriated to meet the state's minimum funding obligation to school districts and community colleges under Section 8 of Article XVI of the California Constitution for the fiscal year for which the appropriation is made.

Vote: majority. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 ~~SECTION 1. It is the intent of the Legislature to enact~~

2 *SECTION 1. (a) The Legislature hereby finds and*  
3 *declares all of the following:*

4 *(1) School equalization funding is an inherent part of*  
5 *bringing California's per pupil spending up to the*  
6 *national average.*

7 *(2) In order to achieve a true per pupil spending level*  
8 *at the national average, equalization funding first must be*  
9 *carried out with additional appropriations as necessary to*  
10 *concurrently bring overall spending up to the national*  
11 *average as defined by this act.*

12 *(b) It is the intent of the Legislature that funding*  
13 *formulas proposed by this act shall be in accordance with*  
14 *existing law as established in Chapter 855 of the Statutes*  
15 *of 1997. It is further the intent of the Legislature that the*  
16 *funding formulas established by this act shall become the*  
17 *standard for future continuous and uniform allocations*  
18 *with regard to school equalization and national average*  
19 *funding and that calculations for funding proposed by this*  
20 *act shall not be adjusted for cost-of-living adjustments.*

1 SEC. 2. Section 42238.44 is added to the Education  
2 Code, to read:

3 42238.44. (a) The Superintendent of Public  
4 Instruction shall determine the amounts necessary to  
5 uniformly increase the base revenue limit per unit of  
6 average daily attendance over a five-year period,  
7 commencing in fiscal year 2001–02 and concluding in  
8 fiscal year 2005–06, for 98 percent of all units of average  
9 daily attendance, so that the amount appropriated per  
10 pupil at the conclusion of fiscal year 2005–06 is no more  
11 than fifty dollars (\$50) above or below the statewide  
12 average base revenue limit per unit of average daily  
13 attendance for school districts of the same size and type.

14 (b) The purpose of the determination shall be to  
15 establish the amount necessary to accomplish  
16 equalization between districts of the same size and type  
17 to within 98 percent of all units of average daily  
18 attendance.

19 (c) Any funding provided to school districts pursuant  
20 to this section shall be applied without an adjustment for  
21 cost-of-living allowances.

22 SEC. 3. Section 42238.45 is added to the Education  
23 Code, to read:

24 42238.45. (a) The Superintendent of Public  
25 Instruction, after assuring full compliance with Section  
26 42238.44 and Section 1 of the act adding this section, shall  
27 determine the uniform amounts necessary over a 5-year  
28 period, commencing in fiscal year 2001–02 and  
29 concluding in fiscal year 2005–06, to result in a revenue  
30 limit per unit of average daily attendance for each school  
31 district that is equal to the national average of per pupil  
32 funding, as determined by the National Education  
33 Association.

34 (b) The Superintendent of Public Instruction shall  
35 allocate funding appropriated pursuant to this section as  
36 follows:

37 (1) (A) In the 2001–02 fiscal year, a school that is  
38 ranked in any of deciles 5 to 10, inclusive, on the  
39 Academic Performance Index established pursuant to

1 Section 52052 shall receive 100 percent of the funding  
2 available pursuant to this section.

3 (B) In each of the 2002–03, 2003–04, 2004–05, and  
4 2005–06 fiscal years, a school that is ranked in any of  
5 deciles 5 to 10, inclusive, on the Academic Performance  
6 Index established pursuant to Section 52052 shall receive  
7 100 percent of the funding available pursuant to this  
8 section.

9 (2) (A) A school that is ranked in any of the deciles  
10 below 5 on the Academic Performance Index established  
11 pursuant to Section 52052 shall receive 75 percent of the  
12 funding available pursuant to Section 42238.45.

13 (B) The remaining 25 percent of the funding available  
14 pursuant to this section shall be withheld in an interest  
15 bearing impound account overseen and administered by  
16 the State Treasurer until the school meets both of the  
17 following conditions, at which time the school shall  
18 receive the total amount of all withheld funding, both  
19 previously withheld and currently withheld, and the  
20 interest thereon:

21 (i) The school's ranking on the Academic  
22 Performance Index established pursuant to Section 52052  
23 increases by at least 5 percent.

24 (ii) The school applies for the remaining funding to  
25 the State Department of Education, on forms and in a  
26 manner specified by the department.

27 (C) Any funds allocated for the purposes of this section  
28 shall be in addition to any funds allocated for the purposes  
29 set forth in Section 42238.44.

30 SEC. 4. An amount necessary to meet the funding  
31 needs set forth in Sections 42238.44 and 42238.45 of the  
32 Education Code, as determined by the Superintendent of  
33 Public Instruction pursuant to those sections, is hereby  
34 appropriated from the General Fund to the State  
35 Department of Education without regard to fiscal years  
36 and shall be available until July 1, 2006, to be allocated to  
37 school districts by the Superintendent of Public  
38 Instruction.

39 SEC. 5. For the purpose of making the computations  
40 required by Section 8 of Article XVI of the California

1 *Constitution, any appropriation made for the purposes of*  
2 *this act shall be deemed to be “General Fund revenues*  
3 *appropriated to school districts,” as defined in subdivision*  
4 *(c) of Section 41202 of the Education Code, for the fiscal*  
5 *year for which the appropriation is made, and included*  
6 *within the “total allocations to school districts and*  
7 *community college districts from General Fund proceeds*  
8 *of taxes appropriated pursuant to Article XIII B” as*  
9 *defined in subdivision (e) of Section 41202 of the*  
10 *Education Code, for the fiscal year for which the*  
11 *appropriation is made.*

12 ~~legislation by subsequent amendment to implement the~~  
13 ~~policy that the base revenue limit per unit of average~~  
14 ~~daily attendance for each school district is within a range~~  
15 ~~of one hundred dollars (\$100) of the base revenue limit~~  
16 ~~of any other school district of the same type. For this~~  
17 ~~purpose, it is the intent of the Legislature that school~~  
18 ~~districts be grouped according to size and type as set forth~~  
19 ~~in subdivision (b) of Section 42238.41 of the Education~~  
20 ~~Code.~~

